

I write in response to the productivity Commission's Discussion Draft.

My role as General Manager and Publisher of Omnibus Books and my role as author of a number of children's books allow me a view of the industry which is different from most.

I feel the Commission has missed some unique points about children's book publishing. We do not fall neatly into the picture the Commission is painting of the Australian book industry. We are an award-driven industry, dependent on literary awards to drive sales into schools or libraries. Our base market is children and unless adults can be convinced of a book's merits then our sales are limited to those to children with money to spend on a book. Our costs of manufacture, editing, etc are not less than those of an adult publisher but the price of our titles is limited, often to what children can afford or what parents believe is good value. Our investment takes longer to return to us; we are really investing in the future, not just accepting a lower price because we cannot charge a high price but because we believe in an intrinsic return. We nurture new writers believing they will ultimately become successful, but not necessarily believing they will immediately make either us or them money. In many ways our adult brothers and sister in the industry look upon *us* as 'children' perhaps because we do so much 'mothering' of our creators, perhaps because children's books have traditionally never had the respect or the kudos of adult books. For example, an illustrator who had won many awards told me that when she was shortlisted for the Archibald, she suddenly found herself treated like 'a big person'. We laugh at this sort of thing, but it is absolutely true that we are sectioned off from the main body of the industry in a variety of ways.

Word-of-mouth, one of the main tools any publisher relies on for sales, and particularly in the children's area, takes time. Awards almost inevitably come into play after a book has been released for upwards of twelve months, and often generate much more significant sales. I could cite a number of examples where a children's title had only become a strong seller well AFTER 12 months had elapsed.

Children's books have a much longer lead-time than many adult books. Picture books, in particular, take a great deal longer to create and to manufacture. Set-up costs in publishing can be very high indeed and an untried creator is always a risk. In a high-risk situation of this nature a publisher hopes for a time when the title will become backlist and some of the forward costs can be slowly recouped, but we do not price backlist titles higher – at least we do not do so in the children's lists. Children's backlist books are frequently sold at the same price as when the book was first released. When paper prices increase, or manufacturing costs increase, then the book price may have to go up but, and particularly in the case of children's books, there is a ceiling on price that is both real and psychological and over which consumers will not go.

Removal of the 90 day rule will have a devastating effect on children's publishing. While it may not impact on adult publishers, children's publishers are obliged to print picture books overseas and we factor in a minimum of 90 days for resupply of a hardback title. If a hardback picture book is shortlisted for a prize in the Children's Book Council Awards, for example, we freeze remaining stock until we are able to supply all booksellers at once. We place the order in China or Singapore and we

expect delivery in 90 days. Since this is when we make sales, removal of this protection would be a disaster for author, illustrator and publisher alike.

I believe that the Commission needs to consider adopting a long-term view. What is suggested currently will have the potential to remove all of the future John Marsdens, Paul Jennings, Emily Roddas and Morris Gleitzmans who are *not yet published* and may never be. We will not know their names and our children will not have the pleasure of reading their writing.

I believe the Commission has tried hard to understand the complexities of the publishing industry in Australia, but I also believe it has missed some of the subtleties. I hope it will re-consider its responses.